

Ways and Means Chairman Bill Thomas (R-CA) and Social Security Subcommittee Chairman Jim McCrery (R-LA) Hold a News Conference on Social Security

April 29, 2005

CHAIRMAN BILL THOMAS (R-CA): Good morning. My name is Bill Thomas, and I'm chairman of the Ways and Means Committee.

First, I want to thank the president. I want to thank him for bringing to the attention of the American people a political issue that is long overdue for addressing. Secondly, I want to thank him for the time he has spent traveling the country, making sure that all Americans know that one of the fundamental portions of the safety net is in trouble.

And then, finally, I want to thank him for last night, in which he indicated that he had goals to help retiring Americans. And those goals clearly were to make sure that future generations receive benefits equal to or greater than today's seniors; to protect those who depend on Social Security the most; and to make sure that younger workers, one, believe that Social Security will be there for them, and that it will be real money.

THOMAS: I'm pleased to announce this morning a series of hearings beginning on May the 12th and continuing, at least one a week, until we produce legislation probably in the early part of June.

The hearings will be initially in the full committee, and then I'll transfer the hearings to the chairman of the subcommittee, the gentleman from Louisiana, Jim McCrery.

The Ways and Means Committee has had one hearing on Social Security, which was a broad-based, fundamental theory in practice hearing in which the Social Security trustees, Social Security actuary, and Mr. Walker, head of the GAO, brought testimony about the history, where we are and what will occur if no changes are made.

So the basic point today is that the House of Representatives will respond to the president's challenge of addressing a fundamental safety net that is in trouble.

And I'd like to turn the mike over to the chairman of the subcommittee. And after that I would like to spend just a couple of minutes so that the media can appreciate what went on in 1983.

I was a member of the subcommittee, the only member of the Ways and Means Committee today that was on the subcommittee. And I will present to you some of the materials that I had hoped someone had looked for to be able to understand what actually occurred in 1983.

Mr. McCrery?

WAYS AND MEANS SOCIAL SECURITY SUBCOMMITTEE CHAIRMAN JIM MCCRERY (R-LA): Thank you, Chairman Thomas.

I, too, would like to thank the president for doing an excellent job of developing a consensus in the country that Social Security is in trouble and needs to be fixed now, not later.

The latest Fox News-Dynamics poll shows that 74 percent of the American public agree with the president that Social Security is in trouble and needs to be fixed.

So I think the president has laid the groundwork for us to now start in Congress developing a solution to this problem. I think the American people expect Congress to address this issue. They don't want us to wait until it becomes a crisis; they want us to act now. And I think we're ready to do that.

I'm certainly ready to work with Chairman Thomas and my colleagues on both sides of the aisle to develop a solution that's fair and real and one that will preserve the original purposes, goals, of the Social Security system.

I want to say that, contrary to some of the speculation I heard in the media last night following the president's press conference, I'm quite optimistic that we're going to be able to develop a plan that can pass the Congress.

I have spoken a lot more to my colleagues and to a lot more of my colleagues, I would submit, than some of the people I heard opining last night.

MCCRERY: And I can tell you that my colleagues on the Republican side of the aisle are open to a wide array of choices of alternatives to developing a solution. There are very few members that are in concrete on just about anything except raising the payroll tax.

So I'm optimistic, I'm confident that we're going to develop, under the chairman's leadership, a plan that can pass the House. Chairman Grassley I know is working hard to develop a solution in the Senate that can pass the Senate. Then we'll get together in conference and hash out a proposal that I think we can get to the president's desk.

So with that, I'll turn it back over to Chairman Thomas.

Thank you, Chairman.

THOMAS: Thank you.

Return with me, briefly, to 1983.

In 1977, the Congress had made some changes to "fix," quote, unquote, Social Security. However, it was clear that the quote, unquote, "fixes" were not sufficient.

The president created a commission. The commission reported in January of 1983. And through February and March, the Ways and Means Committee and the Senate Finance Committee met.

I would refer you to the March 9th Congressional Record for the debate on the floor of the House, and some of the points that were made at that time -- and I'm pleased to say, some of them made by me -- are about the kinds of changes that were necessary to make sure that Social Security was not fixed just for a short period of time, but fixed permanently.

And it was obvious at that time that the American population was changing. Seniors were living longer. They had needs then. All of the points that were made in 1983 are even more emphatically made today.

But I've heard a number of my colleagues discussing the bipartisan agreement and why can't we just go back to the way it was in 1983. I waited in vain for any media, print or video, to go back and actually examine what happened in 1983. And unfortunately, as is more and more the case, you simply show and take the words for someone who stands and says, "It was a bipartisan agreement and why can't we get back to those days."

Take a look at the sheet I gave you in terms of the votes that occurred on the floor of the House on March 9th. There was an underlying bill and there were two amendments.

One amendment was offered by the chairman of the Subcommittee on Social Security, J.J. Pickle from Texas. The other amendment was offered by Mr. Pepper, who was a congressman, former senator, from Florida.

The Jake Pickle amendment extended the age, beginning to address the change in the American population growing older and therefore stretching the time at which members are to retire.

The Pepper amendment simply went back to the same old, same old of increasing payroll taxes even more than was currently planned to be increased.

If you'll examine the Pickle amendment, there were 228 yesses and 202 noes. There were 188 Democrats who voted no about addressing fundamental changes to help save Social Security. There were 152 Republicans who voted yes and 76 Democrats.

It was Republicans who wanted to fundamentally address changing Social Security to address the changing population.

THOMAS: The Pepper amendment said raise the payroll taxes even more than we were planning to raise them. One Republican and 131 Democrats said yes; 165 Republicans said no.

The Pickle amendment was passed by Republicans, and the Pepper amendment was defeated by Republicans.

Now, let's visit the statements made last night: Republicans simply want to cut benefits. Republicans simply want to hurt low-income people.

Of course, the current Democrat position is no. But if you scratched the no, they would be very pleased to once again vote for a Pepper-type of amendment.

What the president has done is fundamentally courageous. And what Republicans will do will be to follow the president.

The American population continues to change. We need to address a number of provisions in Social Security, not just in terms of age and benefit payout, but also, frankly, the share of the pie based upon who the individual is -- gender, et cetera.

Widows currently who are lower-income don't get a fair deal. Why is it that the disabled have to wait 24 months before they're placed on Social Security rolls? Twenty-four months.

And I do want to remind you that part of the 1983 Social Security package was to delay the cost-of-living increase from June until December. Why? Because the Social Security actuary said we're going to run out of money in July.

The president rightly has stepped forward, and the majority in the House is stepping forward to join him, to never, ever have a day when Congress is required to vote in March to delay payments a half a year because we're running out of money.

Listen to the responses of the Democrats, both in the House and the Senate: "We don't have to cut to 70 percent of the benefits until 2042." In 2040, they'll be saying, "We have two more years." And then it'll be a crisis situation, as it was in 1983. They'll say, "Raise the payroll taxes."

Never, ever should the American people expect their Congress not to address a problem as fundamental and difficult as Social Security until it's a crisis. THOMAS: The president never said it was a crisis. The president said Social Security is in trouble.

I agree with the president. I was there in 1983. The response was inadequate at the time, it relied way too much in payroll tax increases, and we have run out of time.

Every time you don't fundamentally address changes in Social Security to meet changes in the population, you will run out of time.

The president has rightly said, "I want it fixed once and for all, for all time." We'll accept that challenge. We'll offer a proposal which will fix Social Security actuarially for all time, certainly beyond the 75 years.

And we will address changes in the system that are necessary because the American population has changed. And if the Democrats don't want to do that, then it isn't news. The Democrats didn't want to do it in 1983, so no one should be surprised. Republicans were responsible then in changing the payroll tax and changing the basic plan.

We will approach the president's goals just as we did in 1983. We were a minority then and we weren't able to prevail. We are a majority today and we will prevail.

Seniors 55 and older don't need to worry. Younger workers who now worry will not need to worry. It will be a more compassionate, a fairer and a better Social Security.

And now I'll invite any questions.

QUESTION: Mr. Chairman, you said that you will approach the president's goals (inaudible) price indexing proposal. Will you and the Republican leadership and the whole Republican caucus have the courage to use that as a basis for your legislation?

THOMAS: I said in January that the American population has changed.

The president focused on Social Security. I wanted to look at a number of other factors affecting retirement, and we will be doing that.

Clearly, Social Security is the core. But also the whole question of pensions and the changing nature of pensions in today's society and the question of personal savings.

We're going to be looking at a number of issues. But it clearly makes sense to me, and apparently it makes sense to the president, that for those who are most in need, as he stressed, Social Security, for many people, is all they have. And that needs to be adjusted in a way that Social Security is solvent.

But for those who have more means, as the president said, they should be focusing on what's occurring to pensions, what's occurring to savings and what's occurring in the tax code that affect those savings for retirement purposes.

So, yes, I think it makes all kinds of sense to examine, as one of the areas, adjusting how much someone gets paid in Social Security if you create equity in your package that for those who don't rely totally on Social Security they get their concerns addressed as well.

Our approach will be to examine the changing population, the aging population, and offer a program that addresses all aspects that need to be addressed under the federal government's jurisdiction, within the Ways and Means Committee's jurisdiction, that deal with retirement.

QUESTION: You also mentioned in January fundamental changes in taxes. And I gather that that will also be part of this. Would you elaborate on how the tax structure might be part of a package that addresses the retirement issue?

THOMAS: I would focus on your fundamental taxes. I didn't say "fundamental taxes." The president has a panel looking at a fundamental reform in taxes. I said the tax code is something that can be looked at. And in a larger retirement package, adjustments could be made there for those people who don't necessarily rely primarily on Social Security, to give them some certainty, just as the president's proposal with Social Security will give young people and those on disability, widows, low-income -- and I might want to stress that for the Democrats, in all the years they were in the majority, they never, ever said that if you worked your entire life and your pension was Social Security that you should retire above poverty. They were the ones who kept those people in poverty.

We will accept the president's challenge, and we will make sure that someone who pays into Social Security their entire life will not retire in poverty.

QUESTION: If a bill is to make it out of the House, does it have to have private accounts financed by payroll tax revenues?

THOMAS: In 1992, I introduced a piece of legislation which was called Social Security IRAs. Because I thought, based upon the fight that occurred in the '80s and the direction that the majority wanted to go, to simply increase payroll taxes, wait until crises occurred, and then force solutions which were not permanent or long-term, that young people would be very pleased to see some kind of a document with their name on it and an accumulating amount that was theirs.

So I heartily support the president's concept of having an account with your name on it, a personal account, if you will.

What that structure looks like, or any portion that we're currently outlining in general, will be the result of hearings before the full committee and the subcommittee looking at a number of options.

THOMAS: And here, let me say that I want to applaud those senators who have come forward with suggestions for permanently and fundamentally altering Social Security.

I could point to Senator Hagel's provisions on the age adjustments. Senator Bennett is talking about moving forward as well. I don't want to run through an exhaustive list, but somebody is going to now say, "You didn't mention me."

But anyone who is willing to look at adjusting Social Security to deal with the real problems facing aging Americans, one, I applaud them, and, two, we'll take a very close look at the proposals that they've offered.

And we will put together a package which we believe meets the test the president said he wanted to meet: solvency, making sure those who are most in need are taken care of adequately, and that young people believe there's real money there for them.

And personal accounts can take a number of forms. And we are going to examine all of those that have been offered, including members' bills who've been put in on the House and any that are on the Senate side and call in those who've offered from the private sector suggestions, and attempt to pick from those what we believe to be the best approach to deal with that in concert with the entire package that we'll be putting together, not just to address the troubles in Social Security, but to make sure that it is cohesive with the larger package which will contain Social Security, which is a retirement package for aging Americans.

QUESTION: Do you support progressive indexing? Do you think it's an idea that moves the ball forward?

THOMAS: Without having anyone write that I support somebody's program that has a name attached to it, I think one of the ways that you're going address solvency, a piece of the solvency, would be to indicate that those who have no other option should be the ones who get the best return out of Social Security.

But those who have other options, perhaps don't need to get as much as the current formula projects.

But I believe it's incumbent upon us that if we are going to talk about a more progressive Social Security system, that we need to examine those areas of the federal law that are not current or are temporary, in which those people who don't rely primarily on Social Security would believe that this is an understanding of the complete retirement package and that there are provisions in there for them, as well.

THOMAS: And that would be focused on pensions, retirement instruments, and the tax code itself.

QUESTION: Do you believe that personal savings accounts address solvency?

THOMAS: I believe that you can construct a personal savings account that could be one component of many that address solvency.

And let me say this: I'm going to be stressing to the subcommittee chairman and to the members of my committee about the fact that I was there in 1983, and that we are not going to do what the majority did then.

Republicans were able to push a string, which is very hard to do, in producing changes in Social Security. We are the ones who are pulling the string this time around.

And if it's at all possible, in creating personal accounts, which would assist in Social Security and in the larger retirement package, if we can also accomplish increasing personal savings in this country by the structure of the program, I believe that is something the president would be pleased with, as well, and, by the way, I think Chairman Greenspan would be pleased with, now head of the Federal Reserve, who was chairman of the Social Security Commission, and the number of others who are looking at this society over a longer period of time, indicating that if we can incentivize personal savings just a little bit on the margin, we'll be far better off.

QUESTION: If the House produces a piece of Social Security reform legislation that meets the president's principles, as you said, it's going to be an uncomfortable vote for members. And we know that, at least on the Senate side, it's going to have to be altered in order to get (inaudible).

My question is, why make members take the vote on a bill that includes benefit cuts, instead of allowing some compromise to be worked in the Senate and then moving forward?

THOMAS: You have just done what I hoped no one would do, with all due respect. You've jumped right back into the Social Security box and you've looked only at the pieces in the Social Security box.

And you indicated one of the things that might be done would be an adjustment in benefits. There could be adjustment in percentage payout, there could be adjustment in aid, there could be any number of adjustments.

But I think I've said -- and I will repeat it -- that it won't just be a Social Security bill. It will be a retirement bill. And that members will look at the total package.

And that one of the ways you're able to make law, let alone pass the House, is to provide a package in which people see something that they can support. And if you're looking for 100 percent support, that's rare. If you're looking for 100 percent opposition, I would hope that's rare.

And what the Democrats have tried to establish is that they are going to be 100 percent opposed, except for what they want.

Our job is to build a package which should attract bipartisan support. My belief is it will.

And my apologies to those Democrats who believe addressing Social Security and retirement in a more fundamental way is the way to go, because they are going to be pressured by the Democratic leadership to stay in lockstep and simply offer "no."

In 1983, the Democrats were bold enough to offer "raise the payroll taxes." So if there's any learning curve between 1983 and now, it is that the Democrats of 1983 voted to raise payroll taxes. Republicans stopped them from doing that.

Today, Democrats don't offer raising the payroll tax. They don't offer any alternative. They're just "no."

MCCRERY: Let me just add, Chairman Thomas talked about our job. And part of our job is to create a legislative product that does not put our members in an uncomfortable position.

So that's our goal, is to create a total package, when one looks at all the elements together, that gives our members comfort in voting for this package.

MCCRERY: And that's what we're going to try to do. And I think we can succeed.

If you go out on the street, like I have, and talk with middle-class, upper middle-class and wealthy individuals, and ask them, "I'll give you a choice. If we're going to fix the Social Security system and we have a choice of raising your taxes or reducing your benefits in the outyears, when you retire, what would you choose?" A hundred percent: "I'd rather sacrifice some of my benefit; just don't raise my taxes."

Then, if we can couple that with a savings opportunity of some sort to let those middle-class, upper middle-class and wealthy individuals make up the difference in what their benefit might have been, it's a win-win situation.

It's a win for the Social Security and it's a win for those individuals who, like the chairman has said, I believe, will feel more comfortable with the system than they do now.

QUESTION: Just to follow up on that earlier question, though, Chairman Thomas, do you now anticipate -- there's been an expectation here that the Senate would act first on this. Do you now anticipate that the House will act first?

THOMAS: I never anticipated that the Senate would act first. I don't know who anticipated the Senate would act first.

We're talking about -- well, I won't go into that, but I was trying to think of some subject in which -- the Senate has held a series of hearings, and I applaud Chairman Grassley. They have begun wrestling with specific provisions.

Ways and Means chose to look at fundamentals, because, as I said, I was the only member of the Ways and Means Committee in 1983 on the Social Security Subcommittee. There were three of us who are currently on the committee who were on the Social Security Committee in 1983.



Virtually all the Democrats and all but me on the Republican side have never gone through a systematic and thorough examination of the Social Security system.

We began that. We will continue it. We will look at offerings which purport to make adjustments in a number of areas. And we will pull that together, as well as looking at other areas that need adjustment for retirement.

And I said we will do that through May, and that we will begin to pull together options to create a package within Social Security and more broadly within the retirement area of our jurisdiction, looking for a bill probably in early June.

If the Senate wants to hold hearings and produce a product prior to that, I applaud them.

This is not some narrow race. It is an attempt to solve a fundamental problem that has already been too politicized by people who've offered no solutions, just a no, and that we were waiting for the president, because frankly, Congress cannot act if the American people don't believe there's a need to act.

And Chairman McCrery clearly indicated to you that the president's tour has been successful, because overwhelmingly the American people believe there's a problem and they expect Congress to act.

That's why I applaud the president. He delivered phase one. It's now our responsibility to follow through legislatively, and we will do it in as short a time as possible, so that we can get this done this year.

QUESTION: (OFF-MIKE) currently aims to cut the deficit in half (OFF-MIKE) how do you reconcile that with the proposal (OFF-MIKE) the tax cut?

THOMAS: Well, all of it is prospective right now. And we'll sit down and we'll take a look at what the House and the Senate can produce in terms of spending cuts.

THOMAS: The numbers in the budget are minimums, not maximums. And the number in the tax reductions are maximums, not minimums.

And I think you'll find in dealing with minimums and maximums, the House wants to make a far bolder statement than the budget act legislation looks like right now.

Our job was to get the House and the Senate in agreement. We'll now go to work on the House's version of the budget.

MCCRERY: Quite simply, the way we reconcile having tax cuts in the context of a budget that still has a deficit is that it's not a simple zero sum game that we're playing. We have to deal with the economy, as well.

So we have to be sensitive to a tax structure that promotes economic growth. That's how we got into these tax cuts in the first place, and that's why we should continue to extend those that we think will promote higher levels of economic growth, because that certainly has the greatest impact the revenues coming to the government.

THOMAS: And we're in much better shape, fiscally, because of the tax changes that were made.

QUESTION: Do you need AARP support to pass this bill?

THOMAS: I need a majority of the members of the House of Representatives. I would prefer as many Democrats working with us and shaping the product and voting for it as possible.

But AARP doesn't have a vote.

QUESTION: When you talk about a broad look at retirement costs, are you also going to look at health costs, Medicare and (OFF-MIKE)

THOMAS: You have to be, at least, mindful of the fact that I've outlined the rather ambitious package in terms of retirement.

I said in January that one of the areas that might be appropriate to look at would be chronic or long-term care, because, frankly, over the years -- and this has been a source of dissatisfaction to me, first as chairman of the House subcommittee and now chairman of the Ways and Means Committee -- that we've been able to make modest adjustments in Medicare.

But for the vast majority of Americans, their long-term care is either using a surrogate in the acute care Medicare structure, called skilled nursing facilities or home health care, but that for many it the Medicaid system in which, unfortunately, people who are fairly well off hire attorneys and appear to be less well off, qualify for Medicaid in terms of long-term care.

That needs to be addressed. The Senate has indicated they're going to be looking at it. We certainly are going to be looking at it.

And that would be one component to make sure only those who are of need get the government structure for long-term care.

But I think the indication of people looking for a solution means that we should also look within our jurisdiction at creating products or tax structures which allow people to make reasonable choices in dealing with long-term care costs.

One of the real advantages of dealing with chronic or long-term care costs, as opposed to acute care needs is that you know long-term care costs are coming. You never know acute care costs are coming.

THOMAS: And so Medicare needs to constantly be adjusted, but it's pretty adequate now, having prescription drugs applied to it, to be an acute care structure.

We need to have instruments where people are incentivized to put money away to deal with long-term care needs in the future.

The time value of money, the very concept that's associated with personal accounts that allow you to accumulate money and have interest compounded tax-free, needs to be examined as an opportunity to assist in meeting long-term care needs of those in the future.

The Medicare Modernization Act did take a major step forward in creating health savings accounts, which can be used as an instrument to put money away to assist you in terms of those long-term care needs.

We might look at the tax code and see if in the area of income tax, there might be ways to further incentivize people who are willing to take steps to worry about the future.

I've also had a number of meetings with the private insurance industry. And I've kind of asked them questions that I haven't gotten answers to.

If I need life insurance when I'm young to protect my children and my wife, and I need home insurance when I'm well off enough to buy a home, and I need auto insurance when I have an automobile, and if I don't die and I don't file any claims from my home and I'm lucky enough not to have any wrecks, you tell me, "You're lucky." I'm saying I paid out all of those years and I have nothing to show for it.

If we can create some modest accumulation of credits or modest additional payment on top of it to produce a stream of revenue that winds up being converted into long-term care, you might see an ability to incentive to get more Americans into that kind of a program where they're dealing with current needs and putting a nest egg away for long-term care needs as well.

QUESTION: Chairman Thomas, on your comments about looking at the changing population, you've referred, I think, in January, more to the need to look at how gender is treated under a Social Security program, how differentiations in race and that sort of thing, do you still want to address those issues?

THOMAS: I think you have to look at them. My brief discussion was wildly misinterpreted by a number of people to the point that some people had to be called down.

And all I said was, I thought self-evident that as the American population changes, we need to look at the way in which Social Security addresses that.

I mentioned briefly widows. Today, it is absolutely, in my opinion, criminal that the portion of the population that lives the longest are those who are most often in poverty.

One of the significant changes for the current generation is that for today's seniors there has been a greater intergenerational transfer of wealth to them than any other generation.

When you said senior, you used to automatically assume poverty; that's not the case today. But for a particular groups of seniors, all too often it is, and those are widows and less likely, widowers.

And we will be looking at the ability for those on the low income side to be afforded a greater share out of Social Security.

It's also true, as I mentioned, as the president mentioned -- and I was very pleased he did -- those who rely on Social Security who tend to be on the lower income side, they should not retire in poverty.

THOMAS: Another area that we need to look at because it's occurring more and more in this society are women of childbearing age who have a career orientation, who make the choice of having children, and frankly, if you

examine the larger societal concerns, it's the birth rate that tends to be difficult in the future.

You've heard cited the number of workers that there are for each retiree. If we had more children we would have a better ratio. But if you're going to punish people to take time out of the workforce for having babies, that's a decision that they have to weigh against other factors.

We should make adjustments for women of childbearing age who are in the workforce prior to the childbearing and then go back into the workforce.

So when I talk about gender, there are a lot of ways you need to look at it.

I chose not to then begin to try to explain myself because the press would be parsing what I said against what I said day after day after day while the president was out trying to make one fundamental point: Social Security is in trouble.

The president last night said he was successful, and that phase is over.

I'm here before you now to say that over the next several weeks, we are going to begin laying out options from which we will choose that will flesh out everything I said in January. And by June, you'll be amazed, hopefully not, how wrong some of those sharp, harpy critics were about looking at some fundamental changes that have already occurred in the population, that need to occur in those fundamental safety nets the government provides.

QUESTION: (OFF-MIKE)

THOMAS: Yes, I thought that was a good conclusion.

(LAUGHTER)

QUESTION: You brought up history so I (OFF-MIKE)

THOMAS: Go for history. I'm for it.

QUESTION: In 1983, did the minority party have a seat at the table in forming the initial legislation, and what lessons will you gather from that experience of being the minority party (OFF-MIKE)

THOMAS: You asked the question; I'll give you the answer. I had a number of options I wanted to present in the subcommittee. My good friend, Jake Pickle said, "Bill, this is going to be a really tough Democrat knockdown fight. I need you with me. Please, don't offer alternatives to what we're doing."

And if you'll examine the March 9th, 1983, congressional record, there are a number of times in that record that I speak on the rule and on the measure. And in every one of them you'll see that I will say, "This is inadequate. It doesn't address fundamental needs." But I do stress that as far as the Jake Pickle amendment was concerned, which was to extend the age of retirement, that that's one of the kinds of things that we need to do.

I didn't think it served a useful purpose that we allow my alternatives to make adjustments permanently in the system at that time. I thought, frankly, we were going to then go back and be serious and do some of the real structural changes that we needed to make.

The Democrats, in a large part, because of the economy and the increases in the payroll tax that we made, since I hope we all know that the retirement age that was a knockdown, drag-out, fight on the floor of the House, still isn't going to conclude the shift by two years until 2022. That it was the economy and the increase in taxes that front-loaded us and we're running out of time, because when you use the payroll tax, you always run out of the time.

It just took a little longer, in large part, because of the economy and by how much the taxes were raised and accelerated.

But the part that everybody forgets is that part of that legislation was we delayed the cost of living to those seniors at that time for six months because there wasn't enough money in the till to write the checks to pay them. That's a crisis.

And doing what we did then, which has been the mantra of some of my colleagues on the other side of the aisle and the Capitol, is not responsible. It really wasn't fundamentally responsible then and it isn't now.

And that's why I want to close by saying, not just to Congress, but the American people owe an enormous debt of gratitude to this president who is willing to go out and repeat time and time again Social Security is in trouble with enough time left for us to be responsible in making adjustments -- not like the irresponsible way that occurred in 1983.

And then he deigned to suggest some adjustments that he might think would be worthy, and he was immediately attacked on that.

And so I'm here this morning to tell you, "Thank you, Mr. President. Thank you for your ideas, but most importantly, thank you for your leadership."

Because we are engaged, we will provide a permanent solution that adjusts Social Security to reflect the changes in the population.

But since Social Security is essential to some people -- which we will protect -- but not essential to others, we will look for a solution on a broader scale than Social Security for aging Americans and their retirement needs.

And as my friend the chairman said, when you put this entire package together, I firmly believe colleagues on my side of the aisle will see things that they like and support the bill. And there will be colleagues on the other side of the aisle who clearly will things in the bill they like. And our only hope is they'll get a permission slip from the Democratic leadership to vote on it.

Thank you.